

AMENDED IN ASSEMBLY APRIL 13, 2000  
AMENDED IN ASSEMBLY MARCH 30, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2581**

**Introduced by Assembly Member Maldonado**

February 25, 2000

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An act to amend Sections 3203, 3205.2, 3205.5, 3206, 3208.1, 3226, 3236.5, 3237, 3352, and 3744 of, and to add Section 3219.5 to, the Public Resources Code, relating to oil and gas conservation, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2581, as amended, Maldonado. Oil and gas conservation.

(1) Existing law generally regulates the drilling and operation of wells. Existing law requires the owner or operator of any well, before commencing the work of drilling the well, to file with the State Oil and Gas Supervisor or the district deputy a written notice of intention to commence drilling, and prohibits the commencement of drilling until approval is given by the supervisor or the district deputy.

This bill would apply that provision solely to the operator of the well. This bill would also permit the supervisor to deny approval if an operator has failed to pay a civil penalty or remedy a violation it is required to remedy. This bill would additionally require any person engaged in drilling or redrilling an exploratory oil or gas well where high subsurface

pressures are known to exist or where they are unknown to provide the supervisor with proof of a blowout insurance policy, *or to provide the supervisor with proof of ability to respond in damages in a minimum amount to indemnify against personal injury and property damage, as specified.*

(2) Existing law requires any operator of an oil or gas well, or a class II commercial waste water disposal well, who engages in the drilling, redrilling, deepening, or in any operation permanently altering the casing, of any well, to file with the State Oil and Gas Supervisor an indemnity bond, but permits the operator, with the approval of the supervisor, to make certain deposits in lieu of the bond.

This bill would delete the authorization to make certain deposits in lieu of the bond, and would instead permit the operator to make a deposit of cash or certificate of deposit, with the supervisor as beneficiary. This bill would also require as one of several alternatives that the operator of a class II commercial wastewater disposal well not covered by an indemnity bond pay the supervisor a fee. Under existing law, all fees received by the supervisor under these provisions are deposited in the Hazardous and Idle-Deserted Well Abatement Fund, a continuously appropriated fund. By providing for an increase in the fees in a continuously appropriated fund, the bill would make an appropriation.

(3) Existing law permits the supervisor or district deputy to order the reabandonment of any previously abandoned well if the supervisor or the district deputy has reason to question the integrity of the previous abandonment.

This bill would prescribe the circumstances in which the operator responsible for plugging and abandoning a deserted well is not responsible for the reabandonment of the well.

(4) Existing law makes any person who violates the provisions governing the drilling and operation of wells subject to a civil penalty.

This bill would ~~make that person also subject to a requirement to discontinue production~~ *permit the supervisor to seek a court order directing that production from the well operations be discontinued until the violation is remedied and the civil penalty has been paid.* This bill would also require the supervisor to consider, among other things, when

determining the amount of the civil penalty ~~and the extent of the requirement to discontinue production~~, the pervasiveness of the violation ~~throughout the violator's oil production operations~~.

(5) Existing law permits the supervisor or district deputy to order the plugging and abandonment of any deserted well, and specifies the circumstances in which a rebuttable presumption of desertion arises.

This bill would additionally provide that the rebuttable presumption of desertion arises if an operator has failed to maintain the access road to a well site passable to oilfield and emergency vehicles.

(6) Existing law permits the supervisor to postpone for a period not to exceed 10 days a hearing on an appeal from an order directing that an unreasonable waste of gas be discontinued or refrained from to the extent stated in the order.

This bill would permit the supervisor to postpone that hearing for a period not to exceed 30 days.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 3203 of the Public Resources  
2 Code is amended to read:  
3 3203. (a) The operator of any well, before  
4 commencing the work of drilling the well, shall file with  
5 the supervisor or the district deputy a written notice of  
6 intention to commence drilling. Drilling shall not  
7 commence until approval is given by the supervisor or  
8 the district deputy. If the supervisor or the district deputy  
9 fails to give the operator written response to the notice  
10 within 10 working days from the date of receipt, that  
11 failure shall be considered as an approval of the notice  
12 and the notice, for the purposes and intents of this  
13 chapter, shall be deemed a written report of the  
14 supervisor. If operations have not commenced within one  
15 year of receipt of the notice, the notice shall be deemed  
16 canceled. The notice shall contain the pertinent data the

1 supervisor requires on printed forms supplied by the  
2 division or on other forms acceptable to the supervisor.  
3 The supervisor may require other pertinent information  
4 to supplement the notice.

5 (b) After the completion of any well, this section also  
6 applies as far as may be, to the deepening or redrilling of  
7 the well, any operation involving the plugging of the well,  
8 or any operations permanently altering in any manner  
9 the casing of the well. The number or designation of any  
10 well, and the number or designation specified for any well  
11 in a notice filed as required by this section, shall not be  
12 changed without first obtaining a written consent of the  
13 supervisor.

14 (c) If an operator has failed to comply with an order  
15 of the supervisor, the supervisor may deny approval of  
16 proposed well operations until the operator brings its  
17 existing well operations into compliance with the order.  
18 If an operator has failed to pay a civil penalty, remedy a  
19 violation that it is required to remedy to the satisfaction  
20 of the supervisor pursuant to an order issued under  
21 Section 3236.5, or to pay any charges assessed under  
22 Article 7 (commencing with Section 3400), the supervisor  
23 may deny approval to the operator's proposed well  
24 operations until the operator pays the civil penalty,  
25 remedies the violation to the satisfaction of the  
26 supervisor, or pays the charges assessed under Article 7  
27 (commencing with Section 3400).

28 SEC. 2. Section 3205.2 of the Public Resources Code  
29 is amended to read:

30 3205.2. (a) Notwithstanding Section 3204, any person  
31 who engages in the operation of a class II commercial  
32 wastewater disposal well, as defined in subdivision (d),  
33 shall file an indemnity bond with the supervisor for fifty  
34 thousand dollars (\$50,000) for each well so used. The bond  
35 shall cover all operations of drilling, redrilling,  
36 deepening, altering casing, maintaining, or abandoning  
37 the well and attendant facilities. The bond shall be  
38 executed by the person as the principal, and by an  
39 authorized surety company as the surety, and, except for  
40 differences in the amount, shall be in substantially the

1 same language and upon the same conditions as provided  
2 in Section 3204.

3 (b) A blanket bond submitted under subdivision (a) or  
4 (c) of Section 3205 may be used in lieu of the bond  
5 required in subdivision (a), except that the termination  
6 and cancellation shall be in accordance with subdivision  
7 (c) of this section.

8 (c) Notwithstanding Section 3207, any bond issued in  
9 compliance with this section may be terminated and  
10 canceled and the surety relieved of all obligations  
11 thereunder when the well is properly abandoned or  
12 another valid bond has been substituted therefor.

13 (d) A class II commercial wastewater disposal well is  
14 a that which is used to dispose of oilfield wastewater for  
15 a fee and that is regulated by the division pursuant to this  
16 chapter and Subpart F (commencing with Section  
17 147.250) of Part 147 of Title 40 of the Code of Federal  
18 Regulations.

19 SEC. 3. Section 3205.5 of the Public Resources Code  
20 is amended to read:

21 3205.5. In lieu of the indemnity bond required by  
22 Sections 3204, 3205, 3205.1, 3205.2, and 3206, an operator  
23 may make a deposit of cash or certificate of deposit, to  
24 which the supervisor has exclusive access and of which  
25 the supervisor is the sole beneficiary.

26 SEC. 4. Section 3206 of the Public Resources Code is  
27 amended to read:

28 3206. (a) The operator of any idle well not covered  
29 by an indemnity bond provided under Section 3204 ,  
30 subdivision (c) of Section 3205, or subdivision (a) of  
31 Section 3205.2 shall do one of the following:

32 (1) File with the supervisor an annual fee for each idle  
33 well equal to the sum of the following amounts:

34 (A) One hundred dollars (\$100) for each idle well that  
35 has been idle for less than 10 years.

36 (B) Two hundred fifty dollars (\$250) for each idle well  
37 that has been idle for 10 years or longer, but less than 15  
38 years.

39 (C) Five hundred dollars (\$500) for each idle well that  
40 has been idle for 15 years or longer.

1 (2) Provide an escrow account in a federally insured  
2 bank that does business in, and has an office in, the State  
3 of California, by depositing the amount of five thousand  
4 dollars (\$5,000) for each idle well, in the following  
5 manner:

6 (A) The escrow account shall be accessible only by the  
7 supervisor and the money shall be retained in the escrow  
8 account exclusively for use by the supervisor for plugging  
9 and abandoning the operator's idle wells that become  
10 deserted pursuant to Section 3237.

11 (B) The money in the escrow account may be released  
12 only by the supervisor and only in amounts covering any  
13 idle well that has properly been plugged and abandoned,  
14 returned to production or injection or converted to an  
15 active observation well, if that money remaining in the  
16 escrow account is sufficient to fully fund the required  
17 deposits for all of the operator's remaining idle wells.

18 (C) The required deposit for each idle well shall be  
19 funded completely within 10 years of the date the well  
20 becomes idle, or 10 years from January 1, 1999, for any  
21 well that is idle as of January 1, 1999.

22 (D) The operator shall fund the escrow account at the  
23 rate of at least five hundred dollars (\$500) per well per  
24 year.

25 (E) Failure of an operator in any year to provide the  
26 minimum funding for any idle well shall result in the  
27 institution of the annual fees required by paragraph (1)  
28 for that idle well, and all money already on deposit for  
29 that idle well shall be treated as previously paid annual  
30 fees and shall be deposited into the Hazardous and  
31 Idle-Deserted Well Abatement Fund specified in  
32 subdivision (b) for expenditure pursuant to that  
33 subdivision.

34 (3) File with the supervisor an indemnity bond that  
35 provides the sum of five thousand dollars (\$5,000) for  
36 each idle well. The bond shall be subject to the conditions  
37 provided in Section 3204.

38 (4) On or before July 1, 1999, file a plan with the  
39 supervisor to provide for the management and

1 elimination of all long-term idle wells not covered under  
2 paragraph (1), (2), or (3).

3 (A) For the purposes of the plan required by this  
4 paragraph, elimination of an idle well shall be  
5 accomplished when the well meets the requirements of  
6 Section 3208.

7 (B) A plan filed pursuant to this paragraph shall meet  
8 all of the following requirements and conditions:

9 (i) The plan shall cover a time period of no more than  
10 10 years and may be renewed annually thereafter, subject  
11 to approval by the supervisor.

12 (ii) The plan shall be reviewed for performance  
13 annually by the supervisor, and be subject to amendment  
14 with the approval of the supervisor.

15 (iii) The required rate of long-term idle well  
16 elimination shall be based upon the number of idle wells  
17 under the control of an operator on January 1 of each  
18 year, as specified in clause IV. The supervisor may require  
19 additional well testing requirements as part of the plan.

20 (iv) The plan shall require that operators with 10 or  
21 fewer idle wells eliminate at least one long-term idle well  
22 every two years; operators with 11 to 20, inclusive, idle  
23 wells eliminate at least one long-term idle well each year;  
24 operators with 21 to 50, inclusive, idle wells eliminate at  
25 least two long-term idle wells each year; operators with  
26 51 to 100, inclusive, idle wells eliminate at least five  
27 long-term idle wells each year; operators with 101 to 250,  
28 inclusive, idle wells eliminate at least 10 long-term wells  
29 each year; and operators with more than 250 idle wells  
30 eliminate at least 4 percent of their long-term idle wells  
31 each year.

32 (v) An operator who complies with the plan is exempt  
33 from any increased idle well bond or fee requirements.

34 (vi) An operator who fails to comply with the plan, as  
35 determined by the supervisor after the annual  
36 performance review, is not eligible to use the  
37 requirements of this paragraph, for purposes of  
38 compliance with this section, for any of its idle wells. That  
39 operator shall immediately provide one of the  
40 alternatives in paragraph (1), (2), or (3) for its idle wells

1 and may not propose a new idle well plan for the next five  
2 years. An operator may appeal to the director pursuant  
3 to Article 6 (commencing with Section 3350) regarding  
4 the supervisor's rejection of a plan and plan amendments  
5 and the supervisor's determinations of the operator's  
6 failure to comply with a plan.

7 (b) All fees received under this section shall be  
8 deposited in the Hazardous and Idle-Deserted Well  
9 Abatement Fund, which is hereby created in the State  
10 Treasury. Notwithstanding Section 13340 of the  
11 Government Code, the moneys in the Hazardous and  
12 Idle-Deserted Well Abatement Fund are hereby  
13 continuously appropriated to the department for  
14 expenditure without regard to fiscal year, to mitigate a  
15 hazardous or potentially hazardous condition by well  
16 plugging and abandonment.

17 (c) Failure to file, for any well, the bond or fee  
18 required under this section shall be conclusive evidence  
19 of desertion of the well, permitting the supervisor to  
20 order the well abandoned.

21 (d) Nothing in this section prohibits a local agency  
22 from collecting a fee for regulation of wells.

23 SEC. 5. Section 3208.1 of the Public Resources Code  
24 is amended to read:

25 3208.1. (a) To prevent, as far as possible, damage to  
26 life, health, and property, the supervisor or district  
27 deputy may order the reabandonment of any previously  
28 abandoned well if the supervisor or the district deputy  
29 has reason to question the integrity of the previous  
30 abandonment.

31 The operator responsible for plugging and abandoning  
32 deserted wells under Section 3237 shall be responsible for  
33 the reabandonment except in the following situations:

34 (1) The supervisor finds that the operator plugged and  
35 abandoned the well in conformity with the requirements  
36 of this division in effect at the time of the plugging and  
37 abandonment and that the well in its current condition  
38 presents no immediate danger to life, health, and  
39 property but requires additional work solely because the  
40 owner of the property on which the well is located



1 proposes construction on the property that would  
2 prevent or impede access to the well for purposes of  
3 remedying a currently perceived future problem. In this  
4 situation, the owner of the property on which the well is  
5 located shall be responsible for the reabandonment.

6 (2) The supervisor finds that the operator plugged and  
7 abandoned the well in conformity with the requirements  
8 of this division in effect at the time of the plugging and  
9 abandonment and that construction over or near the well  
10 preventing or impeding access to it was begun on or after  
11 January 1, 1988, and the property owner, developer, or  
12 local agency permitting the construction failed either to  
13 obtain an opinion from the supervisor or district deputy  
14 as to whether the previously abandoned well is required  
15 to be reabandoned or to follow the advice of the  
16 supervisor or district deputy not to undertake the  
17 construction. In this situation, the owner of the property  
18 on which the well is located shall be responsible for the  
19 reabandonment.

20 (3) The supervisor finds that the operator plugged and  
21 abandoned the well in conformity with the requirements  
22 of this division in effect at the time of the plugging and  
23 abandonment and after that time someone other than the  
24 operator or an affiliate of the operator disturbed the  
25 integrity of the abandonment in the course of developing  
26 the property, and the supervisor is able to determine  
27 based on credible evidence, including circumstantial  
28 evidence, the party or parties responsible for disturbing  
29 the integrity of the abandonment. In this situation, the  
30 party or parties responsible for disturbing the integrity of  
31 the abandonment shall be responsible for the  
32 reabandonment.

33 (b) Except for the situations listed in paragraphs (1),  
34 (2), and (3) of subdivision (a), nothing in this section  
35 precludes the application of Article 4.2 (commencing  
36 with Section 3250) when its application would be  
37 appropriate.

38 SEC. 6. Section 3219.5 is added to the Public  
39 Resources Code, to read:

1 3219.5. (a) Notwithstanding Sections 3204, 3205, and  
2 3205.5, any person engaged in drilling or redrilling an  
3 exploratory oil or gas well in an area where high  
4 subsurface pressures are known to exist or in any area  
5 where the subsurface pressures are unknown, shall  
6 provide to the supervisor proof of a blowout insurance  
7 policy to cover personal injury and property damage in  
8 the event of catastrophic occurrence. The amount of the  
9 blowout insurance policy shall be a minimum of thirty  
10 million dollars (\$30,000,000) and shall remain in full force  
11 and effect until the well covered by the insurance policy  
12 has been completed or abandoned properly. The policy,  
13 including the insurance carrier, shall be subject to  
14 approval by the supervisor.

15 (b) *In lieu of securing the minimum amount of*  
16 *blowout insurance, any operator subject to this section*  
17 *may provide the supervisor with proof of his or her ability*  
18 *to respond in damages for deductibles or retentions, or*  
19 *both, in an amount that meets or exceeds the minimum*  
20 *amount required under subdivision (a). Evidence of*  
21 *self-insurance capability may also be satisfied if the total*  
22 *assets of the person engaged in the drilling or redrilling*  
23 *operations, as reported in the most recent annual*  
24 *financial statement, equal or exceed a reasonable amount*  
25 *to be determined by the supervisor.*

26 SEC. 7. Section 3226 of the Public Resources Code is  
27 amended to read:

28 3226. Within 30 days after service of an order pursuant  
29 to Sections 3224 and 3225, or Section 3237, or if there has  
30 been an appeal from the order to the director, within 30  
31 days after service of the decision of the director, or if a  
32 review has been taken of the order of the director, within  
33 10 days after affirmance of the order, the owner or  
34 operator shall commence in good faith the work ordered  
35 and continue it until completion. If the work has not been  
36 commenced and continued to completion, the supervisor  
37 may appoint necessary agents to enter the premises and  
38 perform the work. An accurate account of the  
39 expenditures shall be kept. Any amount so expended shall

1 constitute a lien against real or personal property of the  
2 operator pursuant to the provisions of Section 3423.

3 Notwithstanding any other provisions of Section 3224,  
4 3225, or 3237, if the supervisor determines that an  
5 emergency exists, the supervisor may order or undertake  
6 the actions he or she deems necessary to protect life,  
7 health, property, or natural resources.

8 SEC. 8. Section 3236.5 of the Public Resources Code  
9 is amended to read:

10 3236.5. (a) Any person who violates this chapter or  
11 any regulation implementing this chapter is subject to a  
12 civil penalty not to exceed five thousand dollars (\$5,000)  
13 ~~for each violation, a requirement to discontinue~~  
14 ~~production from all or any of its wells or leases until the~~  
15 ~~violation is remedied to the satisfaction of the supervisor,~~  
16 ~~or both for each violation.~~ Acts of God, and acts of  
17 vandalism beyond the reasonable control of the operator,  
18 shall not be considered a violation. The civil penalty ~~or~~  
19 ~~the requirement to discontinue production~~ shall be  
20 imposed by an order of the supervisor upon a  
21 determination that a violation has been committed by the  
22 person charged, following notice to the person and an  
23 opportunity to be heard. The notice shall be served by  
24 personal service or certified mail, and shall inform the  
25 alleged violator of the date, time, and place of the  
26 hearing, the activity that is alleged to be a violation, the  
27 statute or regulation violated, and the hearing and  
28 judicial review procedures. The notice shall be provided  
29 at least 30 days before the hearing. The hearing shall be  
30 held before the supervisor or the supervisor's designee in  
31 Sacramento or in the district in which the violation  
32 occurred. The hearing need not be conducted pursuant  
33 to Chapter 5 (commencing with Section 11500) of Part 1  
34 of Division 3 of Title 2 of the Government Code. The  
35 imposition of a civil penalty ~~and a requirement to~~  
36 ~~discontinue production~~ under this section shall be in  
37 addition to any other penalty provided by law for the  
38 violation. When establishing the amount of the civil  
39 penalty ~~and the extent of the application of the~~  
40 ~~requirement to discontinue production~~ pursuant to this

1 section, the supervisor shall consider, in addition to other  
2 relevant circumstances, (1) the extent of harm caused by  
3 the violation, (2) the persistence of the violation, (3) the  
4 pervasiveness of the violation ~~throughout the violator's oil~~  
5 ~~production operations~~, and (4) the number of prior  
6 violations by the same violator.

7 (b) Notwithstanding any other provision of this  
8 chapter, an order of the supervisor imposing a civil  
9 ~~penalty or requiring the discontinuance of production~~  
10 ~~penalty~~ shall not be reviewable pursuant to Article 6  
11 (commencing with Section 3350). A person upon whom  
12 ~~a civil penalty or requirement to discontinue production~~  
13 *a civil penalty* is imposed by a final order of the supervisor  
14 may obtain judicial review of that final order by seeking  
15 a writ of mandate pursuant to Section 1094.5 of the Code  
16 of Civil Procedure within 30 days of the date of that final  
17 order. When the order of the supervisor has become final,  
18 and the penalty has not been paid ~~or production has not~~  
19 ~~been discontinued by the violator~~, the supervisor may  
20 apply to the appropriate superior court for an order  
21 ~~directing payment of the civil penalty or directing~~  
22 ~~discontinuance of production until the violation is~~  
23 ~~remedied to the supervisor's satisfaction.~~ *payment of the*  
24 *civil penalty. The supervisor may also seek from the court*  
25 *an order directing that production from the well*  
26 *operations that are the subject of the civil penalty order*  
27 *is discontinued until the violation has been remedied to*  
28 *the satisfaction of the supervisor, and the civil penalty has*  
29 *been paid.*

30 (c) Any amount collected under this section shall be  
31 deposited in the General Fund.

32 SEC. 9. Section 3237 of the Public Resources Code is  
33 amended to read:

34 3237. (a) (1) The supervisor or district deputy may  
35 order the plugging and abandonment of any well that has  
36 been deserted whether or not any damage is occurring or  
37 threatened by reason of that deserted well. The  
38 supervisor or district deputy shall determine from  
39 credible evidence whether a well is deserted.

(2) For purposes of paragraph (1), “credible evidence” includes, but is not limited to, the operational history of the well, the response or lack of response of the operator to inquiries and requests from the supervisor or district deputy, the extent of compliance by the operator with the requirements of this chapter, and other actions of the operator with regard to the well.

(3) A rebuttable presumption of desertion arises in any of the following situations:

(A) If a well has not been completed to production or injection and drilling machinery have been removed from the well site for at least six months.

(B) If a well’s production or injection equipment has been removed from the well site for at least two years.

(C) If an operator has failed to comply with an order of the supervisor within the time provided by the order or has failed to challenge the order on a timely basis.

(D) If an operator fails to designate an agent as required by Section 3200.

(E) If a person who is to acquire a well that is subject to a purchase, transfer, assignment, conveyance, exchange, or other disposition fails to comply with Section 3202.

(F) If an operator has failed to maintain the access road to a well site passable to oilfield and emergency vehicles.

(4) The operator may rebut the presumptions of desertion set forth in paragraph (3) by demonstrating with credible evidence, compliance with the division and that the well has the potential for commercial production, including specific and detailed plans for future operations, and by providing a reasonable timetable for putting those plans into effect. *The operator may rebut the presumption set forth in subparagraph (F) of paragraph (3) by repairing the access road.*

(b) An order to plug and abandon a deserted well may be appealed to the director pursuant to the procedures specified in Article 6 (commencing with Section 3350).

(c) (1) The current operator, as determined by the records of the supervisor, of a deserted well that

1 produced oil, gas, or other hydrocarbons or was used for  
2 injection is responsible for the proper plugging and  
3 abandonment of the well. If the supervisor determines  
4 that the current operator does not have the financial  
5 resources to fully cover the cost of plugging and  
6 abandoning the well, the immediately preceding  
7 operator shall be responsible for the cost of plugging and  
8 abandoning the well.

9 (2) The supervisor may continue to look seriatim to  
10 previous operators until an operator is found that the  
11 supervisor determines has the financial resources to  
12 cover the cost of plugging and abandoning the well.  
13 However, the supervisor may not hold an operator  
14 responsible that made a valid transfer of ownership of the  
15 well prior to January 1, 1996.

16 (3) For purposes of this subdivision, “operator”  
17 includes a mineral interest owner who shall be held  
18 jointly liable for the well if the mineral interest owner has  
19 or had leased or otherwise conveyed the working interest  
20 in the well to another person, if in the lease or other  
21 conveyance, the mineral interest owner retained a right  
22 to control the well operations that exceeds the scope of an  
23 interest customarily reserved in a lease or other  
24 conveyance in the event of a default.

25 (4) No prior operator shall be liable for any of the costs  
26 of plugging and abandoning a well by a subsequent  
27 operator if those costs are necessitated by the subsequent  
28 operator’s illegal operation of a well.

29 (5) If the supervisor is unable to determine that an  
30 operator that acquired ownership of a well after January  
31 1, 1996, has the financial resources to fully cover the costs  
32 of plugging and abandonment, the supervisor may  
33 undertake plugging and abandonment pursuant to  
34 Article 4.2 (commencing with Section 3250).

35 SEC. 10. Section 3352 of the Public Resources Code is  
36 amended to read:

37 3352. Within 10 days from the date of the taking of the  
38 appeal, a minimum 20 days notice in writing shall be  
39 given to the appellant of the time and place of the  
40 hearing. If the director determines that there is an

1 immediate threat to human health and safety or to the  
2 environment, the director may shorten the notice period  
3 to 10 days. For good cause, and if the director determines  
4 that there is not an immediate threat, the director may  
5 postpone the hearing, on the application of the appellant,  
6 the supervisor, or the district deputy, for a period not to  
7 exceed 30 days.

8 SEC. 11. Section 3744 of the Public Resources Code is  
9 amended to read:

10 3744. (a) Within 30 days from the date of service of  
11 an order made pursuant to Section 3743, the operator  
12 shall commence in good faith the work ordered and  
13 continue it until completion. If the work has not been  
14 commenced and continued to completion, the supervisor  
15 may appoint necessary agents to enter the premises and  
16 perform the work. An accurate account of the  
17 expenditures shall be kept. Any amount so expended  
18 constitutes a lien against the real or personal property of  
19 the operator upon which the work is done and the lien has  
20 the force, effect, and priority of a judgment lien pursuant  
21 to Section 3772.

22 (b) Notwithstanding Sections 3741, 3743, or 3755, if the  
23 supervisor determines that an emergency exists, the  
24 supervisor may make formal or emergency orders or  
25 undertake any other action that the supervisor  
26 determines to be necessary for the protection of life,  
27 health, property, or natural resources.